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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 30, 2016

Certified Return Receipt
7015 0640 0001 4528 8717

David McMullin
C. S. Mining LLC
P. O. Box 608
Milford, Utah 84751

Subject: Notice of File Closures and Release of Reclamation Sureties; C. S. Mining LLC; Copper Ranch (E/001/0159), Water Exploration Drilling (E/001/0160), Bawana/Sunrise (E/001/0172), Maria Pit (E/001/0177), Candy B (E/001/0178), OK (E/001/0180), Crossroads (E/001/0181), Hidden Treasure West (E/001/0187) & Classy B (E/001/0188) Exploration Projects and the Bawana Low Grade Ore Pile Mine (S/001/0076); Beaver County, Utah

Dear Mr. McMullin:

The referenced Notices of Intention to either Commence Small Mining Operations or Conduct Exploration, located in Beaver County, Utah, will now be closed and the files retired.

The Bawana Low Grade Ore Pile Mine (S/001/0076) permit and the open wells associated with the Water Exploration Drilling project (E/001/0160) have been incorporated into C. S. Mining's approved Hidden Treasure (Milford Copper Operations) Mine (M/001/0067) permit, and their reclamation liability is covered by the associated large mine reclamation surety.

The new site-wide Milford Copper Operations exploration permit (E/001/0190) replaces the other eight exploration permits (six approved and two tentatively approved), and their reclamation liability is now covered by this new permit's recently-approved reclamation surety. Disturbance not yet fully released from the Water Exploration Drilling project (E/001/0160) will also be included in the new exploration permit and covered by its surety.

The check in the amount of \$461,598.56, the funds of which served as reclamation sureties for these operations until being replaced with a new site-wide exploration project reclamation surety, was hand delivered to one of your representatives. The Division is returning the original reclamation contracts for your disposal or records.



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C. S. Mining LLC

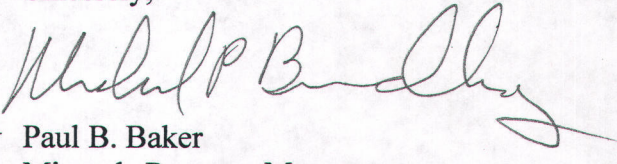
E/001/0159, E/001/0160, E/001/0172, E/001/0177, E/001/0178, E/001/0180, E/001/0181,
E/001/0187, E/001/0188, and S/001/0076

March 30, 2016

The Division formally approves past requests for reclamation surety release and re-allocation of surety in rolling bond scenarios for these now-retired exploration notices. These releases and re-allocations are taken into consideration in the new Milford Copper Operations Notice of Intention to Conduct Exploration, file number E/001/0190. Thank you for continuing to notify the Division of hole pluggings for rolling bond scenarios.

Future correspondence and activity related to the subject Notices will be associated with the Milford Copper Operations Exploration Notice and, to a smaller degree, with the Hidden Treasure (Milford Copper Operations) mine (M/001/0067). Please contact Peter Brinton at 801-538-5258 or me at 801-538-5261 if you have any questions or concerns regarding this action. Thank you for your patience and cooperation.

Sincerely,



for Paul B. Baker
Minerals Program Manager

PBB:pnb:pb

ENCLOSURES: Original Reclamation Contracts

cc: Ed Ginouves, BLM-Cedar City (UTU-82961, UTU-83052, UTU-83057, UTU-83086, UTU-89460, UTU-89128, UTU-90021,
UTU-91054, & UTU-91134); eginouve@blm.gov

Opie Abeyta, BLM-UTSO; oabeyta@blm.gov

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5417,6354,6579,6580,6893,6894,6956,6957,6958,6959,7107,7108,7226,7227,7228-03302016.docx

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 5100110076 Mine Name _____

Operator _____ Date _____

TO _____ FROM _____

☐ CONFIDENTIAL ☐ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded
Closure letter

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____